

GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT

MINES & MINERALS – Review of Sand Mining Policy in the State – Method of leases by draw of lots – Revised Policy guidelines – Orders – Issued.

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INDUSTRIES AND COMMERCE (MINES-I) DEPARTMENT

G.O.Ms.No. 142

Dated: 13 -10-2012  
Read the following:-

1. G.O.Ms.No.24, Inds. & Com. (M.I) Dept.,  
dated:12-02-2007
2. G.O.Ms.No.84, Inds. & Com. (M.I) Dept.,  
dated:10-04-2007
3. G.O.Rt.No.4044, Gen. Admn. (Cabinet) Dept.,  
dated:01-09-2012.
4. G.O.Rt.No.4093, Gen. Admn. (Cabinet) Dept.,  
dated:04-09-2012.
5. From the DM&G., Letter No.22847/PI/2012,  
dated 20-8-2012.

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ORDER:-

In the G.O. 1<sup>st</sup> read above, the subject matter of "auctioning of sand" was transferred from Panchayat Raj & Rural Development Department to Industries & Commerce Department. In the Government order 2<sup>nd</sup> read above, suitable amendments to the Andhra Pradesh Minor Mineral Concession Rules, 1966 were issued in respect of auctioning of sand and for regulation of sand quarrying in the state.

2. The Hon'ble Supreme Court by Judgement dated:27-02-2012 (Deepak Kumar Vs State of Haryana and others) have observed that the States/ Union Territories have not implemented the recommendations of the Ministry of Environment & Forests (MOEF) or the guidelines issued by the Ministry of Mines, Government of India for less than 5.00 Hectares and directed all the States/Union Territories to give effect to the recommendations of Ministry of Environment & Forests in it's report of March' 2010 and model guidelines framed by the Ministry of Mines within a period of six (6) months and submit compliance reports. The Central Government under section 18 and States and Union Territories under section 15 of the Mines & Minerals (Development & Regulation) Act, 1957 are empowered to frame/amend relevant rules.

3. In the meanwhile, the Hon'ble High Court in W.P.No.18822/2011 by interim – orders, dated: 21-03-2012 suspended sand quarrying in the State in the existing sand reaches as well as new reaches feasible for sealed-tender-cum public auction with effect from 01-04-2012 for not protecting Environment and River beds. These interim orders were confirmed in their final orders dated:26-04-2012 in the process of disposing of PILs and W.Ps batch. In the SLP (Civil) No.15301 to 15305/2012 filed by the State Government, the Hon'ble Supreme Court on 07-05-2012 directed the State Government to obtain Environmental Clearance even for the quarry leases of less than 5 Hectares and fixed time schedule to MOEF for issuance of clearances. Thus, the sand quarrying activity has come to stand still from in April and May' 2012 (during non-monsoon period) adversely affecting the construction activity/Industry and other developmental works during the working season.

4. Now, the sand reaches in the State are in operation with the prior Environmental Clearance for a specified quantity. Due to striking down of Rule 9-T of Andhra Pradesh Minor Mineral Concession Rules, 1966 the participants in the sealed tender-cum-public-auction are raising bids disproportionate to the quantity of sand notified and selling the sand at abnormal rates. Because of this, the Government is not able to control Sale Price of Sand at pit head and on the other hand price of the mineral has gone beyond the reach of a common man. The alleged mining and illegal transportation of sand, unabatedly warrants adequate safeguards and control measures in the public interest.

5. Taking cognizance of the indiscriminate quarrying in the river systems of the state in a Public Interest Litigation/ batch of Writ Petitions in the Hon'ble High Court of Andhra Pradesh and having due regard to findings/observations in their final orders dated 26-04-2012, the Government felt necessary to review the existing sand policy and through reference 3<sup>rd</sup> and 4<sup>th</sup> read above issued orders constituting a **Group of Ministers** to review the present Sand Mining Policy and make suitable recommendations.

6. The Group of Ministers discussed the pros and cons of the existing sand policy at various levels and after due deliberations decided for rescinding of the existing Rules from 9-B to 9-Z of the Andhra Pradesh Minor Mineral Concession Rules, 1966 and to make rules in tune with the statutory requirements and approved New Sand Policy-2012 on 22-09-2012.

7. The Government after careful consideration and examination of the recommendations of Group of Ministers, reviewed the existing sand policy and decided to introduce the following New Sand Policy -2012 to regulate the sand quarrying activity and matters connected therewith as brought out here under:-

- (i) Regulate Sand quarrying through District/ Divisional/ Mandal Authorities notified under Rules-8,9,10 and 23 of the Andhra Pradesh Water Land, and Trees Rules, 2004.
- (ii) (a) The initial identification and reporting on the sand bearing areas to the District authority shall be by the Mandal Authority.  
  
(b) Further survey, study of technical feasibility and confirmation of specified sand bearing areas shall be carried out By the Mandal Authority in case of sand bearing areas falling within the Mandal. By the Divisional Authority in case of sand bearing areas falling within inter-Mandal level. By the District Level Authority in case of sand bearing areas falling within inter-Divisional level.
- (iii) The allotment of feasible sand bearing areas shall be through selection process **by way of draw of lots from the date of issue of notification by amending the existing rules;**
- (iv) The District Authority shall fix sale prices of sand at pit head not exceeding 20% on Standard Scheduled rate from the date of issue of notification amending the existing rules;
- (v) The extraction activity of sand from the specified sand bearing areas shall be restricted to the quantities confirmed; in the notice inviting applications;
- (vi) The extraction of sand shall be by manual means only. The usage of Machinery shall not be permitted except in specific sand bearing areas where there is no impact on groundwater table and with the prior approval of the District Collector and Ex-Officio Chairman.

- (vii) The extraction of sand shall be subject to the conditions stipulated in Rule 23 of Andhra Pradesh Water Land, and Trees Rules, 2004.
- (viii) The Divisional/ District Authority may consider for issue of short term permits to meet any exigency/immediate sand requirement under special circumstances by recording the reasons for specific period as a measure of Contingency plan;
- (ix) Allocation of sand bearing areas located partly/ completely in Scheduled Areas shall be made as per A.P. Panchyats Extension to Scheduled Areas (PESA) Rules, 2011 with Technical and Administrative support from Integrated Tribal Development Authorities/Andhra Pradesh Mineral Development Corporation Limited under the direct supervision and control of the Agency Magistrate/ District Collector concerned;
- (x) Sand extraction shall not be permitted in over-exploited notified areas **except** for local use in the Villages or towns bordering the streams for bonafide purposes other than Commercial operations/ trading/stocking etc.,
- (xi) The extraction of Sand from In-stream/ Underwater specified areas shall be carried out by local Registered Boatsmen Co-operative Societies /Non-local Registered Boatsmen Co-operative Societies selected by draw of lots by rotation.
- (xii) Irrigation and Command Area Development Department shall undertake de-silting of water bodies/ Reservoirs as a part of their annual maintenance operations to enhance the storage capacity of the reservoirs and augment groundwater recharge in water bodies/ Reservoirs. Sand sourced from out of de-silting operations shall be utilized for various civil works.
- (xiii) Transportation of Sand shall be regulated by evolving suitable mechanism in the following manner:
  - (a) Upto 3<sup>rd</sup> order streams, the sand extracted shall be utilized within the Mandal.
  - (b) The sand extracted from 4<sup>th</sup> order stream shall be utilized within the District.

- (c) The sand extracted from 5<sup>th</sup> order and above streams shall be utilized within the State.
- (xiv) In case of the sand casted pattalands abutting the river beds, if the pattadar intends to de-cast sand by himself:
  - (a) He shall apply to the Mandal Agricultural Officer, who after verification and assessment of sand shall issue certificate and the Tahsildar concerned shall issue permit/way bills. The sand so extracted from patta lands shall be disposed of after payment of seigniorage fee after obtaining mineral dealer license under section 23-C of Mines & Minerals(Development & Regulation) Act, 1957.
  - (b) To prevent indiscriminate removal of sand from patta lands from the river bed, care and caution shall be taken to ensure that no agent/GPA/ Lease holders other than the farmer himself is involved in the process to eliminate vested interests.
  - (c) In case of pattalands situated within in the river bed/course, extraction of sand shall be strictly prohibited and all such cases shall be dealt with separately by the River conservator concerned;
  - (d) The extraction of sand in pattalands shall be for a period of (6) months and thereafter it shall be dispensed with.
- (xv) No sand shall be transported from the State to any other State;
- (xvi) (a) Up to IIIrd order streams, the Panchayat Secretary of the concerned Gram Panchayat shall issue permits for weaker section housing scheme and own use basing on the actual requirement. Seigniorage fee shall be exempted for weaker section housing scheme beneficiaries and the fee shall be collected for local use of sand in Government works. Mandal shall be treated as a unit.
- (b) Transportation shall be permitted through bullock carts/ Tractors only, But not in bulk quantities for trading/commercial purposes;

- (xvii) Stringent measures for confiscating vehicles/ machinery and seizure of the sand shall be adopted for indulgence in illegal mining and transportation in lieu of monetary penalties currently in operation;
- (xviii) Regard to any orders in respect of IIIrd order streams appeal or Revision against the orders shall lie before Appellate Authority/ Revision Authority as per Andhra Pradesh Water Land, and Trees Rules, 2004.
- (xix) 100% Seigniorage fee shall be remitted to the General funds under the Head of Account of Z.P concerned. The same shall be apportioned in the ratio of 25:50:25 among Zilla Parishad: Mandal Parishad: Gram Panchayat respectively.
- (xx) Alternate to River sand, the manufacture of Crushed stone sand (Rock sand) shall be ensured from the conservation point of view to River bed/in-stream sand quarrying operations to make it available to meet the requirement of bulk consumers at affordable prices. To encourage the activity, concessions and incentives shall be worked out in consultation with the industry.
- (xxi) Stocking of Sand:
  - (a) No person/firm/ society shall stock sand.
  - (b) The applicants/pattadars having permission to extract sand is entitled for stocking sand with permission from the competent authority under the Mines & Minerals (Development & Regulation) Act, 1957.
  - (c) Government may maintain stock yards through Designated Agencies, through Andhra Pradesh Mineral Development Corporation or designated Government Agency in a limited way to cater to the needs of the smaller users as a market intervention initiative;
- (xxii) Existing leases to be brought into New Policy:
  - (a) Leases for whatever reason have not yet started shall come into the ambit of New Policy and the amounts if any remitted as per earlier policy shall be refunded.

(b) Leases already under operation shall be deemed to have come into the ambit of new policy and a mechanism will be adopted to refund the proportionate balance amount once new policy come into force.

(xxiii) The Director of Mines & Geology has assessed the requirement of sand during 2012-13 for Constructions/ civil works in private and Government sectors at 218 lakh cbms and 230 cbms totaling to 448 cbm on a conservative basis to be extracted/ made available from all types of reserves sources i.e., streams/ riverbeds (open extractions), In-stream excavation, De-silting of reservoirs/ Upstreams of barrages, de-costing/ removal of sand from pattalands and Rock sand/ Manufactured sand at the State level. This has to be assessed and confirmed by the District Level Authorities for further identification of new reaches/ available reserves on a continued basis.

(xxiv) The Government may review the New Sand Policy in future as and when required.

8. The Director of Mines & Geology, Hyderabad shall propose necessary amendments to the Andhra Pradesh Minor Mineral Concession Rules, 1966.

9. The policy shall come into force with immediate effect. All notifications already issued where auctions have not been confirmed shall stand automatically cancelled.

10. The order issued with the concurrence of Finance (Exp. I&C) Department vide their U.O.No.26913/369/Exp.I&C/2012, dated:11-10-2012.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**D. SREENIVASULU,**  
PRINCIPAL SECRETARY TO GOVERNMENT

To

The Director of Mines & Geology, Hyderabad.

Copy to:

All the District Collectors.

The Accountant General of Andhra Pradesh, Hyderabad.

The Pay and Accounts Officer, Hyderabad.

All the District Treasury Officers.

The O.S.D. to Hon'ble Minister (Mines & Geology).

The PS to Hon'ble Minister for Major and Medium Irrigation.  
The PS to Hon'ble Minister for Finance & Planning.  
The PS to Hon'ble Minister for Forest, Environment, Science  
& Technology.  
The PS to Hon'ble Minister for Minor Irrigation.  
The PS to Hon'ble Minister for Panchayat Raj & RWS.  
The PS to Hon'ble Minister for Housing.  
The Finance (Expr. I&C) Department.  
Sf/Sc (C.No.12371/M.I(2)/2012)

//FORWARDED:: BY ORDER//

SECTION OFFICER